

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS  
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT General Services Agency – Airport Services	(2) MEETING DATE 4/22/2014	(3) CONTACT/PHONE Kevin Bumen 781-5205	
(4) SUBJECT Request to approve a ground lease (Clerk's Filed) with GTE Mobilnet, doing business as Verizon Wireless, for the installation of a cellular telephone antenna tower and associated equipment at the San Luis Obispo County Regional Airport. District 3			
(5) RECOMMENDED ACTION It is recommended that the Board: 1. Approve the Telecommunications Facility Lease by 4/5's vote with GTE Mobilnet, doing business as Verizon Wireless, for the installation and operation of a cellular phone tower site at the San Luis Obispo County Regional Airport; and 2. Instruct the Clerk to record the Memorandum of Lease.			
(6) FUNDING SOURCE(S) N/A	(7) CURRENT YEAR FINANCIAL IMPACT \$3,900 (revenue)	(8) ANNUAL FINANCIAL IMPACT \$24,102 (revenue)	(9) BUDGETED? N/A
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ____ ) <input type="checkbox"/> Board Business (Time Est. ____ )			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input checked="" type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input checked="" type="checkbox"/> 4/5 Vote Required <input type="checkbox"/> N/A	
(14) LOCATION MAP Attached	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input checked="" type="checkbox"/> N/A    Date: _____	
(17) ADMINISTRATIVE OFFICE REVIEW  Emily Jackson			
(18) SUPERVISOR DISTRICT(S)  District 3			

# County of San Luis Obispo



TO: Board of Supervisors

FROM: General Services Agency – Airport Services / Kevin Bumen  
781-5205

DATE: 4/22/2014

SUBJECT: Request to approve a ground lease (Clerk's Filed) with GTE Mobilnet, doing business as Verizon Wireless, for the installation of a cellular telephone antenna tower and associated equipment at the San Luis Obispo County Regional Airport. District 3

## **RECOMMENDATION**

It is recommended that the Board:

1. Approve the Telecommunications Facility Lease by 4/5's vote with GTE Mobilnet, doing business as Verizon Wireless, for the installation and operation of a cellular telephone antenna tower site at the San Luis Obispo County Regional Airport; and
2. Instruct the Clerk to record the attached Memorandum of Lease.

## **DISCUSSION**

With the downturn in the economy in 2008, General Services Agency – Airport Services experienced a significant reduction in commercial airline service and aviation activity at the San Luis Obispo County Regional Airport. The result was a negative impact to Airport Services revenues and its budget. As an Enterprise Fund, Airport Services depends on rents and fees generated by airport users, rather than the County General Fund, in order to maintain a safe operating environment for those who fly in and out of the airport as well as the traveling public. To help mitigate any potential future impacts, Airport Services has been looking beyond activities strictly associated with aviation in order to diversify and stabilize revenues to the Enterprise Fund.

One such revenue source Airport Services has been negotiating is the installation of a cellular phone antenna tower. As a result of lengthy discussions with representatives of GTE Mobilnet, doing business as Verizon Wireless, Airport Services has come to an agreement to lease ground space for the installation of a Telecommunications Facility. It is intended to provide improved cellular telephone service for the southeastern portion of the City of San Luis Obispo and other areas surrounding the Airport. The site is approximately 792 square feet in size and is located adjacent to parking lot number one, shown in the attached vicinity map. It will be situated among the existing trees to obscure the view from the surrounding areas and Broad Street/Highway 227.

The facility will consist of a prefabricated building for housing communications equipment, an emergency generator and support pad, a mono-pine tree type antenna tower with an overall height of 61 feet to blend in with the existing trees surrounding the site, fencing and other associated equipment and utilities. Verizon is required to obtain all necessary permits through the County Planning and Building Department. In addition, plans for the site must be submitted to the Federal Aviation Administration (FAA) for review and approval to ensure compliance with applicable FAA regulations.

The initial lease term will be for a period of five (5) years. The lease will automatically extend for three (3) additional five (5) years terms for a total of 20 years unless Verizon notifies Airport Services of its intent to terminate the lease. The intent to terminate must be given at least sixty (60) days prior to the expiration of the initial five (5) year term or any subsequent renewal term. The County has the ability to terminate the lease in the event of radio frequency interference

with aircraft operations. With a 4/5's vote, Government Code section 25536(a) authorizes the Board to lease airport property without compliance with the competitive procedures set forth in Title 3, Division 2, Part 2, Article 8 of the Government Code. In addition to the lease, a Memorandum of Lease (Clerk's Filed) is to be recorded by the Clerk.

#### **OTHER AGENCY INVOLVEMENT/IMPACT**

County Counsel has participated in the negotiation process and reviewed the lease as to legal form and effect.

#### **FINANCIAL CONSIDERATIONS**

All development and operating costs associated with the telecommunications facility will be the responsibility of Verizon. No costs will be incurred by County Airport Services.

Rent for the first year of the initial term will be \$23,400 (\$1,950 per month). Each subsequent year rent will increase 3%, based on the previous year's rental rate. As an example, year two of the initial term will reflect an increase of \$702 over year one for a total annual rent of \$24,102.

#### **RESULTS**

Approval of the Lease agreement will provide an additional long term, stable source of nonaeronautical revenue for the Airport Enterprise Fund for the continued maintenance and operations of the San Luis Obispo County Regional Airport. The community will also experience improved cellular telephone service coverage contributing to the goal of a Safe and Livable Community.

#### **ATTACHMENTS**

- Attachment 1: Vicinity Map
- Attachment 2: Lease Agreement – Clerk's Filed
- Attachment 3: Memorandum of Lease – Clerk's Filed